



Department of Conservation  
Division of Recycling  
Market Research Branch

## Recycling Market Development and Expansion Grant Program

### Questions and Answers

#### **Why is the time to prepare a grant application so short?**

The Recycling Market Development and Expansion Grant Program (Grant Program) was authorized by Assembly Bill 28 and became effective January 1, 2004. In order to use funds currently authorized for the 2003-2004 fiscal year, all grants must be in effect by June 30, 2004. To allow grant agreements to be effective by June 30, the processes to accept, evaluate, and approve grant projects must happen quickly. If the process is delayed and grants are not effective by June 30, the funds will not be available and first year funding of \$10 million will be lost.

#### **Is it possible to come to Sacramento and meet in your office?**

Department of Conservation (Department) staff cannot meet with individual prospective grantees during the solicitation and evaluation periods to discuss grant applications. Please refer to the Recycling Market Development and Expansion Grant Application (Grant Application) which provides all required information – including the statutory focus of the Grant Program. Because we are prohibited from discussing detailed aspects of any potential proposals, the Department is posting on its website questions received during these periods and the answers to each question.

#### **Can we include graphs or charts in the narrative for the proposal?**

Yes - just note the page limitations for the various sections.

#### **I want to develop technology to improve our system. Would this qualify for grant monies?**

Department staff cannot comment on your specific idea, but technology development certainly can qualify. Keep in mind the focus of the Grant Program, which includes projects to develop and utilize innovative processing and manufacturing technologies.

#### **The grant application requires a resolution from our governing body. I will not be able to get it in time for the grant deadline. Can the resolution be submitted later?**

Government agencies and non-profits must submit a resolution of support from their governing body (page 4 of the Grant Application). We realize the February 13 deadline is difficult for some applicants. If your governing body cannot issue a resolution in time, submit a letter stating your efforts to obtain one and the expected date a resolution will be available.

#### **Is this grant program for beverage containers only? How about the Community Outreach grants?**

Both grant programs are for beverage containers, but proposals may involve other materials as long as beverage containers are the main focus. Information specific to Community Outreach Grants is available at: <http://www.conservation.ca.gov/dor/grants/index.htm>.

#### **If I submit a proposal for equipment that will handle cardboard and containers, what are my chances of approval?**

Applicants have to make the case that their project will fulfill the criteria as stated in the Grant Application, and each proposal competes against all the other proposals. However, eligible equipment can be used for other things - the mere fact that equipment is also used for cardboard does not disqualify it.

#### **We believe that informing the public about recycling would greatly expand recycling of CRV beverage containers. Please contact us with regard to this idea.**

Department staff cannot discuss grant applications with individual prospective grantees during the solicitation and evaluation periods.

#### **When will the grants be made, and when do you expect the next round of applications to be due?**

## Questions and Answers (Continued)

The tentative date to announce the grant awards is April 19 - see page 12 of the Grant Application. We hope to have executed agreements in place June 1. We do not have a timeline yet for the next round.

### **Would the purchase of additional recycling bins be eligible for funding?**

Bins are eligible, but the main focus of the Grant Program is on processing and manufacturing functions, versus additional collection. See page 3 of the Grant Application.

### **Since we are a startup company, how do I submit financial statements, since the company doesn't have any yet? Do I have to submit financial records? Will this count against us?**

Business startups as well as established companies are eligible. Whatever financials can be provided that are relevant should be provided. As a startup company, if three years of financial information is not available, then the applicant must demonstrate in some other manner that the organization has the financial capability to conduct the project.

### **Should we request all the funding for a multi-year project in this fiscal year?**

The Department may choose to award funding for all or part of a project from the current fiscal year. Changes to an applicant's proposed scope of work will be negotiated before the grant agreement is executed. Alternatively, applicants may choose to apply for additional grant funding in later years.

### **May we use grant money to help purchase new equipment to help us capture and recycle a large amount of beverage containers?**

You are certainly eligible to apply, and equipment purchases are eligible for grant funds. We can't make specific recommendations about the merits of your idea, beyond the grant criteria in the Application.

### **Right now we are getting ready to start our business recycling program in the county. If we offer businesses an extra incentive of picking up the cost for their recycling for a fixed time, it will get the ball rolling.**

It sounds like your idea is mostly for recycling collection, which is not the main focus of the Grant Program, although collection can be part of an eligible project.

### **Is the grant application available in Microsoft Word?**

Yes – we have added a link to this page. However, we do not yet have an electronic submittal process – you must submit your application on paper.

### **Where does the grant funding come from?**

Funding for the Grant Program originates with beverage distributors. There are no tax monies involved. When consumers fail to recycle the containers they have purchased, some of the unredeemed monies are available for grants and other purposes. For a more detailed explanation, there is a chart on the Department of Conservation web site at:  
[http://www.conservation.ca.gov/DOR/gpi/general\\_public/webcon.pdf](http://www.conservation.ca.gov/DOR/gpi/general_public/webcon.pdf)

### **Can grant money be used to purchase products made from recycled beverage containers, for public facilities?**

Yes. Bear in mind the overall goal of increasing recycling rates and the specific guidelines in the Grant Application. The grants are competitive, so the projects most likely to receive awards will demonstrate the most benefits for the dollars spent.

### **Can we apply as a group of cities in an arrangement to increase recycling among our members?**

Yes – associations, JPAs, etc. are eligible to apply.

### **Could I obtain equipment for cardboard only?**

Equipment for cardboard only would not be fundable. Dual-purpose equipment that improves your capture of empty beverage containers can be eligible, depending on the total project.

### **Who will see the proposals and business plans? Will they be treated as confidential?**

Proposals will be reviewed by a committee from the Department, with possible assistance from other experts if warranted (for instance, an expert in glass chemistry could be consulted). Reviewers will be bound to legal standards regarding non-disclosure of confidential information. However, grant applications may become public records. Any confidential information must be submitted according to the guidelines for Section E on page 8 of the Grant

## Questions and Answers (Continued)

Application, and requested by the proposer that the material submitted shall be handled as confidential. If confidentiality is granted, the material will not be disclosed to the general public unless so ordered by a court of competent jurisdiction.

### **Would equipment that can improve processing of recycled materials qualify for grant funding?**

Yes - equipment to improve the supplies of recovered beverage container materials qualifies. The thing to keep in mind is the overall purpose of the Grant Program, which is to raise recycling rates for beverage containers focusing on processing and manufacturing functions.

### **I want to start a recycling center and processing center ... to allow a person or business to bring all their recyclables to a place that accepts all types of recyclables and CRV containers.**

Collection (including recycling centers) may be part of a broader project, but is not the main focus of the Grant Program. The main focus is processing and manufacturing functions specific to beverage container materials.

### **We have a process to increase our diversion while creating a high-end product made from plastic.**

The project may be eligible for funding if its main focus is to increase recycling of beverage container materials and it falls into one or more of the four categories for project eligibility – see page 2 of the Grant Application.

### **What is the maximum length of the grants? May grants be funded beyond the term?**

Grant projects may last up to three years from the date of execution – see page 3 of the Grant Application. Grants sometimes may be extended for good cause, within certain statutory limits (and assuming there is funding). Applicants may submit a second-phase grant application in later years for further funding consideration.

### **Please supply me with specific data on [glass, aluminum or plastic] markets, so I can complete my application. Please send me information on other market development efforts at the Department of Conservation.**

The Department has data specific to sales and returns of beverage containers as well as

statewide average scrap values for each material type. This information can be obtained at

<http://www.conservation.ca.gov/DOR/Notices/Index.htm>. Information on other Department market development efforts can be obtained at <http://www.conservation.ca.gov/DOR/dmr/rpm/index.htm>.

### **Will proposals from private companies, non-governmental organizations and government agencies all be considered equally? Are there any circumstances under which the Department would give preference to any one of these types of organizations over another?**

Applications from all the types of organizations are eligible. The type of organization has no bearing on the scoring of the applicant's qualifications.

### **I may propose a project with distinct components, some of which could be implemented independently of one another. Is it appropriate to ask the Department to consider each component separately, even though they are submitted as part of a single grant application? Or, would the Department encourage applicants to submit distinct grant proposals for such a project?**

It is impossible to say ahead of time which approach is best. Applicants may submit one or more proposals. New or "recycled" proposals may be submitted in later fiscal years as well.

### **What are postfilled containers?**

Section 14517.5 of the Act indicates that a postfilled container means any container, which had previously been filled with a beverage or food. The term "postfilled" generally references non-beverage containers.

### **Which beverage manufacturers and what brands use #5 Polypropylene bottles for CRV Beverages? In 2002 there were 1,107,605 bottles sold according to the Department's Biannual Report. How many were there in 2003?**

In 2002 only eight manufacturers sold beverage containers in #5 Polypropylene bottles. As the Department does not disclose information on specific participants, the manufacturers cannot be listed. Reporting by manufacturers includes only the number of containers and does not indicate the brand or product packaged in the container. Final sales for 2003 have not been

## Questions and Answers (Continued)

determined. Sales for January through June 2003 for #5 Polypropylene bottles totaled 604 thousand units.

**Does it matter whether equipment is used for residential or commercial, or both? Would expansion of a commercial system be viewed as a higher priority than improved processing of single-stream residential curbside materials, given new directions by the DOC in the Recycling-at-Work Program?**

Commercial would not necessarily get higher priority than residential; grants will be scored according to the criteria explained in the Grant Application.

**Do the percentages of materials collected and/or processed matter? For example, is a minimum percentage of CRV material required to be processed for the processing equipment to be eligible for funding?**

There is no minimum percentage of CRV material required to ensure eligibility. But again, all proposals compete against each other to achieve the overall goal of increasing recycling rates for CRV materials. The more a project enhances CRV recycling and the objectives in the Grant Application, the better it will likely score.

**What are the estimated volumes of CRV and other postfilled glass collected that were used for determination of the processing fee for 2004?**

The Department does not use estimated volumes of CRV nor postfilled glass collected for the determination of processing fees. Analysis of the impact of processing fees and payments generally are based on actual sales and returns from the previous calendar year. These data are available at:  
<http://www.consrv.ca.gov/DOR/Notices/Images/Biannual1203.pdf>.

**What estimate has the Division made for 2004 or later years of the CRV and other postfilled glass collection under AB 28?**

The Division has not made any estimates of 2004 or later years for CRV and other postfilled glass collection under AB 28. A study conducted by the University of California at Berkeley provided estimates of recycling rates, based on several scenarios of increasing CRV. The authors' conclusion was as follows:

"Recycling responds strongly to a change in the CRV. Doubling the CRV, which would make it somewhat higher than other "bottle-bill" states, will result in a California recycling rate for aluminum of 90 percent, for glass of 81 percent, and for PET of 61 percent. The overall recycling would be 82 percent. Increasing the CRV for containers of less than 24 ounces to 5 cents, while leaving the CRV for larger containers at 5 cents would result in recycling rates of 90 percent for aluminum, 80 percent for glass, and 58 percent for PET. The overall recycling rate would be 81 percent."

The full report can be obtained at  
[http://www.conservation.ca.gov/DOR/UC\\_Study\\_41603.pdf](http://www.conservation.ca.gov/DOR/UC_Study_41603.pdf)

**What is the percentage of mixed vs. color-sorted glass collected by beneficiating processors from non-beneficiating processors, recyclers, curbside, dropoff and collection centers for the last three years or any years that are available?**

For 2002, the latest year available, the percentage was approximately 35% mixed and 65% color-sorted statewide. For 2001, the percentages were approximately 30% mixed and 70% color-sorted. Please note these are estimates based on scrap value survey data, which have inherent limitations when used to calculate proportions of glass colors.

**I am a small company and do not want my financial records to potentially become public record. How do I need to present them?**

Refer to Section E. Supporting Materials of the Grant Application. Financial records may be presented in the format listed. If it is believed that the financial records should not be disclosed because it would cause loss of a competitive advantage, then the confidentiality request needs to state the specific nature of the advantage and how it would be lost, including the value of the information to the requesting party, and the ease or difficulty with which the information could be legitimately acquired or duplicated by others. In the event that confidentiality is not granted, the applicant must indicate if the financial records are to be returned to the applicant, or retained, as part of the public record application.

**Are the 100 points allocated for Attachment C (Budget) only for that one**

## Questions and Answers (Continued)

### **page alone? Can an additional narrative explanation be included with Attachment C?**

Additional narrative may be included with Attachment C as a separate Budget Explanation Page – see page 6 of the Grant Application. These two pages will be considered together for the 100 points allocated for the Project Budget.

### **We do not foresee any permits being needed. If Attachment F is empty, will we lose points?**

If no permits are required, the person authorized to sign for your organization must sign Item B on Attachment F, certifying that fact. See page 7 of the Grant Application. Either Item A or Item B must be signed, but the fact that a project does or does not require permits has no bearing on the points awarded.

### **In the formatting, are there any requirements for minimum margin?**

No.

### **In other grants I have written, there has always been an Administration Task budget, (which is roughly 10% of the grant amount) in for the grant administration. Is that OK to include here?**

You should use the budget categories in Attachment C, Project Budget. If you feel Administrative Tasks need a separate explanation, provide details in the Budget Explanation Page (page 6 of the Grant Application).

### **Would it be advantageous to include Education and Outreach as a Task to increase awareness to consumers?**

This could be part of a project, but keep in mind the overall focus of the Grant Program on processing and manufacturing functions. We can't comment on specific grant proposal ideas, and it would be impossible to say ahead of time how a particular idea would fare against other proposals.

### **Do we need letters to document ALL match or in-kind? What if some of our subcontractors work in exchange for stock? Do we need a signed letter from them?**

To the extent subcontractors are provided stock in your company in lieu of a salary, the value of those services should be noted as an in-kind contribution on Attachment C and the Budget Explanation Page. This arrangement should also be noted in the Cover Letter (see page 4 of the Grant Application). Individual letters from each subcontractor are not required.

### **Although Match and In-Kind cannot be contributed before the grant contract is executed, can we show a value for our pilot project as match?**

No. Assets developed or acquired before the proposed Grant Project would not be considered to be a current matching funding source.

### **Can a video be sent as part of the Supporting Materials?**

No. Supporting Materials, if submitted, should be limited to written documents.

### **On the copies of the proposal that are supposed to be double-sided, do we begin each section on a new page, or just run the whole proposal through the copy machine at once?**

Just copy the whole proposal at once.